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THE Wheat SITUATION

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UNITED STATES DEPARTMENT OF AGRICULTURE

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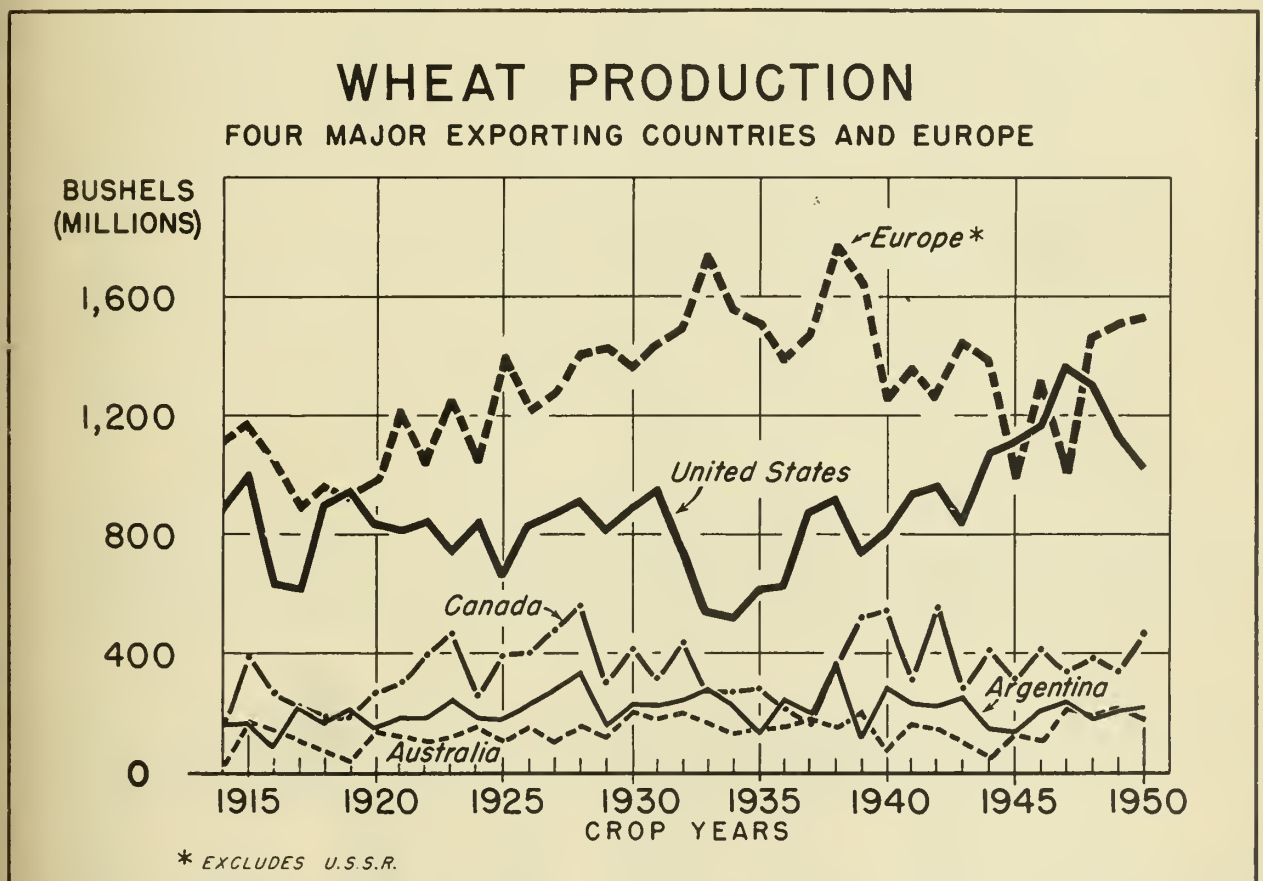

U. S. DEPARTMENT OF AGRICULTURE NEG. 1410-0 OFFICE OF FOREIGN AGRICULTURAL RELATIONS

European wheat production was greatly reduced by World War II. In the postwar period United States production was greatly expanded to meet European and world needs. Some expansion also took place in Australia.

The upward trend of European production during the twenties and the thirties corresponds rather closely with the decline in world trade that occurred, particularly in the thirties. The four overseas exporting countries of United States, Canada, Argentina and Australia, together with Europe, have accounted for the bulk of the world trade in wheat and flour.

Table 1.- Wheat: Average price per bushel received by farmers, parity price, and price of No. 2 Hard Winter at Kansas City, 1935-50

Year beginning July	July	August	September	October	November	December	January	February	March	April	May	June	Average
	Dollars	Dollars	Dollars	Dollars	Dollars	Dollars	Dollars	Dollars	Dollars	Dollars	Dollars	Dollars	Dollars
	Price received by farmers on 15th of month 1/												
1935	.76	.81	.85	.95	.88	.89	.92	.91	.89	.85	.82	.80	.83
1936	.94	1.05	1.04	1.07	1.06	1.14	1.24	1.25	1.23	1.27	1.18	1.09	1.02
1937	1.13	.99	.93	.89	.82	.84	.89	.87	.80	.75	.71	.70	.96
1938	.61	.51	.52	.52	.52	.54	.57	.57	.57	.58	.53	.62	.56
1939	.56	.54	.73	.70	.73	.82	.84	.84	.85	.89	.81	.67	.69
1940	.61	.60	.63	.68	.72	.72	.73	.68	.72	.76	.79	.83	.67
1941	.86	.88	.96	.91	.93	1.02	1.06	1.05	1.05	1.00	1.00	.96	.94
1942	.95	.95	1.03	1.04	1.04	1.10	1.18	1.20	1.23	1.22	1.23	1.24	1.09
1943	1.26	1.27	1.30	1.35	1.37	1.43	1.46	1.46	1.46	1.47	1.47	1.43	1.35
1944	1.39	1.35	1.35	1.42	1.43	1.45	1.46	1.47	1.48	1.49	1.49	1.50	1.41
1945	1.46	1.45	1.45	1.51	1.53	1.54	1.54	1.55	1.58	1.58	1.70	1.74	1.49
1946	1.87	1.78	1.79	1.88	1.89	1.93	1.91	1.99	2.44	2.40	2.39	2.18	1.90
1947	2.14	2.10	2.43	2.66	2.74	2.79	2.81	2.12	2.21	2.29	2.22	2.11	2.29
1948	2.03	1.96	1.97	1.98	2.04	2.05	2.02	1.94	1.98	2.00	2.00	1.86	1.99
1949	1.82	1.79	1.87	1.89	1.90	1.93	1.92	1.93	1.98	2.01	2.04	1.93	2/1.86
1950	1.99	1.97	1.94	1.91	1.94	2.03	2.09						
	Parity price on 15th of month 3/												
1935	1.14	1.13	1.12	1.12	1.11	1.11	1.10	1.10	1.10	1.10	1.10	1.10	
1936	1.11	1.14	1.15	1.15	1.15	1.15	1.16	1.17	1.18	1.19	1.19	1.19	
1937	1.18	1.18	1.17	1.15	1.14	1.13	1.14	1.14	1.12	1.12	1.12	1.11	
1938	1.11	1.10	1.10	1.10	1.10	1.10	1.09	1.09	1.09	1.09	1.09	1.09	
1939	1.08	1.08	1.10	1.10	1.10	1.10	1.10	1.10	1.10	1.10	1.10	1.10	
1940	1.10	1.10	1.10	1.10	1.10	1.10	1.10	1.10	1.11	1.11	1.12	1.14	
1941	1.15	1.18	1.19	1.22	1.24	1.24	1.26	1.27	1.29	1.31	1.31	1.32	
1942	1.33	1.33	1.33	1.33	1.34	1.36	1.36	1.37	1.39	1.41	1.41	1.41	
1943	1.42	1.43	1.43	1.44	1.45	1.46	1.47	1.48	1.48	1.48	1.48	1.49	
1944	1.49	1.49	1.49	1.49	1.49	1.49	1.50	1.50	1.50	1.50	1.50	1.51	
1945	1.51	1.51	1.52	1.53	1.53	1.54	1.56	1.56	1.57	1.57	1.61	1.64	
1946	1.73	1.76	1.74	1.80	1.85	1.86	1.89	1.94	1.99	2.01	2.01	2.02	
1947	2.02	2.05	2.09	2.10	2.11	2.15	2.20	2.18	2.17	2.19	2.20	2.20	
1948	2.20	2.20	2.20	2.18	2.17	2.17	2.17	2.16	2.16	2.17	2.16	2.15	
1949	2.15	2.14	2.12	2.11	2.11	2.12	3/2.13	2.13	2.16	2.16	2.19	2.19	
1950	2.21	2.23	2.26	2.27	2.29	2.31	2.35						
	Price of No. 2 Hard Winter at Kansas City 4/												
1935	.99	1.04	1.15	1.19	1.13	1.11	1.13	1.10	1.06	1.02	.95	.96	1.05
1936	1.11	1.22	1.22	1.22	1.22	1.34	1.38	1.36	1.39	1.40	1.32	1.21	1.21
1937	1.22	1.12	1.10	1.06	.94	.96	1.03	1.00	.92	.85	.80	.77	1.11
1938	.70	.66	.66	.65	.63	.67	.71	.69	.69	.70	.76	.71	.70
1939	.67	.65	.86	.83	.86	.98	1.01	.99	1.02	1.06	.95	.76	.74
1940	.71	.69	.76	.82	.84	.83	.85	.78	.85	.87	.90	.97	.82
1941	.98	1.07	1.14	1.12	1.13	1.20	1.26	1.23	1.21	1.15	1.15	1.11	1.12
1942	1.08	1.11	1.20	1.21	1.23	1.30	1.37	1.37	1.40	1.38	1.38	1.37	1.26
1943	1.40	1.40	1.46	1.52	1.56	1.63	1.65	1.63	1.65	1.64	1.63	1.56	1.45
1944	1.52	1.51	1.53	1.61	1.59	1.62	1.64	1.66	1.66	1.66	1.67	1.68	1.56
1945	1.58	1.60	1.62	1.68	1.69	1.69	1.69	1.69	1.72	1.72	---	1.86	5/1.60
1946	1.98	1.94	1.96	2.04	2.10	2.07	2.09	2.26	2.69	2.68	2.69	2.37	2.09
1947	6/2.29	2.32	2.65	2.95	3.00	3.01	3.03	2.51	2.45	2.45	2.40	2.29	2.52
1948	2.19	2.15	2.20	2.23	2.28	2.29	2.25	2.20	2.24	2.26	2.22	1.95	2.19
1949	2.00	2.06	2.15	2.19	2.20	2.22	2.22	2.22	2.27	2.31	2.30	2.17	2.16
1950	2.23	2.21	2.21	2.18	2.22	2.35	2.40						

1/ U. S. monthly prices are the result of weighting monthly State prices by production. U. S. marketing-year prices are the result of (1) weighting State monthly prices by monthly sales to obtain State marketing-year averages, and (2) weighting the State marketing-year averages by total sales for each State. Includes an allowance for unredeemed loans at average loan values. 2/ Preliminary. 3/ Computation of parity prices: Average price in base period (August 1909 to July 1914=88.4 cents) X monthly index of prices paid by farmers, interest, and taxes, as revised January and October 1950 for the period 1926 through 1949. 4/ Compiled from the Kansas City Grain Market Review. Average of daily prices weighted by carlot sales. 5/ Average for 11 months. 6/ Beginning July 1947, sales of Dark Hard and Hard Winter wheat combined, reported as Hard Winter.

Table 2.- Rye: Stocks, United States, by quarters, 1940-50

Year	January 1				April 1			
	Farm	Terminal market 1/	Interior mill, elevator, and warehouse 2/	Total	Farm	Terminal market 1/	Interior mill, elevator, and warehouse 2/	Total
	1,000 bushels	1,000 bushels	1,000 bushels	1,000 bushels	1,000 bushels	1,000 bushels	1,000 bushels	1,000 bushels
1940	21,000	10,540	---	31,540	14,500	10,138	---	24,638
1941	24,500	6,640	---	31,140	19,000	5,269	---	24,269
1942	22,400	17,474	---	39,874	16,400	17,551	---	33,951
1943	30,500	19,889	---	50,389	21,800	20,458	8,036	50,294
1944	13,500	21,051	7,557	42,108	8,325	21,148	6,146	35,619
1945	9,250	12,207	4,133	25,590	5,668	10,252	3,538	19,458
1946	6,550	4,544	2,221	13,315	2,989	3,113	1,379	7,481
1947	4,000	2,476	2,028	8,504	1,700	2,139	1,244	5,083
1948	7,200	4,072	3,162	14,434	4,436	1,521	2,179	8,136
1949	8,749	4,740	3,801	17,290	5,495	2,075	2,335	9,905
1950	4,803	9,338	3,302	17,443	3,332	7,321	2,533	13,186
1951	7,279	7,871	3,831	18,981				
	July 1				October 1			
1940	10,100	9,506	---	19,606	31,500	8,520	---	40,020
1941	13,100	5,639	---	18,739	35,000	17,243	---	52,243
1942	12,100	17,034	---	29,134	42,000	18,477	---	60,477
1943	15,300	23,309	8,505	47,114	21,500	22,907	8,568	52,975
1944	5,000	20,150	5,835	30,985	13,959	14,728	4,881	33,568
1945	3,030	6,599	2,537	12,166	12,961	4,732	3,301	20,994
1946	1,150	322	905	2,377	9,829	1,126	2,213	13,168
1947	600	1,024	722	2,346	13,475	3,824	4,328	21,627
1948	1,700	531	1,122	3,353	14,242	4,469	5,280	23,991
1949	3,313	2,993	1,999	8,305	8,705	5,435	3,965	18,105
1950	1,974	5,900	1,664	9,538	12,852	7,694	4,991	25,537

1/ From reports of the Grain Branch, Production and Marketing Administration. 2/ Quarterly data not available prior to April 1943.

THE WHEAT SITUATION
Including Rye and Rice

Approved by the Outlook and Situation Board, February 21, 1951

SUMMARY

Total disappearance of U. S. Wheat in 1950-51 is expected to be about 1,015 million bushels, the smallest since 1942-43. With the supply of about 1,450 million bushels, the carry-over next July would be about 435 million bushels, slightly above the 423 million bushels July 1, 1950. The highest carry-over was 631 million bushels in 1942, and the 1932-41 average was 235 million bushels.

Domestic disappearance of wheat during the July-December period was 341 million bushels, while exports were 111 million bushels. For the year ended June 30, 1951, domestic disappearance is estimated as follows: Civilian and military food, about 500 million; seed, 90 million; and feed from domestic supplies, 150 million. Food use per capita will be about the same as a year earlier, total seed requirements will be larger than last year and feed from domestic supplies may be about the same.

Exports in the 1950-51 marketing year are now expected to total about 275 million bushels, which compares with 250 million bushels estimated earlier in the season. The export demand exceeds 275 million bushels, but the actual quantity which will be moved will be limited by shortages of boxcars and ocean shipping, and to some extent by the handling capacity of facilities at U. S. ports. Exports by June 30 of 275 million bushels would be the smallest since 1944-45 and compare with 299 million bushels in 1949-50 and the all-time record high of 503 million bushels in 1948-49.

On February 2 the Secretary of Agriculture announced a spring wheat acreage of 21.4 million acres as a guide for spring seedings. If this spring wheat acreage is seeded and if yields equal to the 1946-50 average are obtained, a crop of about 300 million bushels would be produced. This, added to the 899 million bushels for winter wheat estimated in December, would total about 1,200 million bushels. The winter wheat crop has been subjected to droughty weather in the Southwest, but conditions have been mostly satisfactory elsewhere. Whether production will reach the December estimate depends upon weather conditions during the next several weeks, and the ability of the wheat plants to recover from the earlier drought and freeze conditions. The next estimate will be as of April 1.

Domestic disappearance of U. S. grown wheat in 1951-52 is expected to total about 750 million bushels. Allowing as much as 350 million bushels for export, a total disappearance of 1,100 million bushels would be indicated. Production in excess of this quantity would increase the carry-over July 1, 1952.

Wheat prices have been well above the loan at terminal and export positions. While the shortage of transportation has held down prices at local points, prices have been sufficiently high so that large quantities under loan have been redeemed and sold on the market. This is expected to continue, and if transportation becomes more available, there will be only a small quantity delivered to CCC.

The world grain situation at the beginning of 1951, following three consecutive years of relatively favorable production, is characterized by an approximate overall balance between supplies and requirements. However, there are problems in the utilization and distribution of available supplies because of current international developments.

World trade in bread grains (wheat and rye) during the 1950-51 marketing year is expected to be slightly less than in 1949-50, but more of the wheat trade will come under the International Wheat Agreement.

For rice, world supplies and requirements are expected to show very little change in total from the level of a year ago, unless developments in the important Far Eastern rice countries affect trade movement. World rice production in terms of milled rice is estimated at 119 million short tons, compared with 116.7 million in 1949-50 and the prewar average of 117.2 million. Despite the large production, world trade in rice in 1951 will still be only about half of what it was before World War II.

Actual estimates of areas seeded to winter wheat and rye for harvest in 1951 are available for very few countries, but general indications in the principal countries denote little change in expected acreages for the Northern Hemisphere. Moisture reserves in the Prairie Provinces of Canada up to November 15 were reported at 90 percent of normal compared with 72 percent a year earlier.

Rye supplies for 1950-51, including an estimate for imports, may total about 37.5 million bushels, which is 4 percent above a year earlier. Exports may be down somewhat, the quantity fed about the same, food and seed use up slightly, and the use for alcohol and spirits up sharply, compared with 1949-50. The carry-over July 1, 1951 may be slightly below the 9.5 million bushels a year earlier.

"FEED STATISTICS, INCLUDING WHEAT, RYE AND RICE "

USDA Statistical Bulletin No. 95 (December 1950) is available for distribution. Copies may be obtained by writing to the Office of Information, Bureau of Agricultural Economics, Washington 25, D. C. This publication includes series covering basic information on stocks, distribution, production, utilization commercial movement, foreign trade, and prices of grains and feeds.

THE DOMESTIC WHEAT SITUATION

BACKGROUND.- Abnormal world imports of bread grains absorbed the excess over domestic needs from the billion-bushel wheat crops produced annually in the United States in 1944-48. Large U. S. exports have also held down the increase in the size of the carry-over since then. Exports from 1945-46 through 1948-49 averaged almost 450 million bushels. With a drop in world takings in 1949-50, exports declined to about 300 million bushels (table 7).

In 1932-41, the average supply of wheat in continental United States was 982 million bushels, consisting of carry-over of old wheat, 235; production, 738, and imports for domestic use, 9. Total disappearance averaged 721 million bushels consisting of food, 475; feed, 122; seed, 81; and exports to foreign countries and shipments to U. S. Territories, 43. Carry-over stocks at the end of this period were much larger than at the beginning.

Wheat prices to growers advanced from an average of 67 cents per bushel in 1940-41 to a record season average of $2.29 for the 1947 crop. The highest monthly price was $2.81 in mid-January 1948. From 1938 to late 1944 the loan program, which reflected the general rise in prices farmers pay, was the most important factor in domestic wheat price. From 1942 through 1945 wheat feeding was exceptionally heavy and large quantities of wheat were used for war industrial purposes. Beginning in early 1945, export demand, including the various foreign aid programs, became the most important price factor.

In 1947-48, United States Wheat prices reflected strong world import demand resulting from short crops in importing countries. With the harvest of the near-record crop in 1948 and large crops in importing countries, the loan program again became an important price factor along with large export demand. The price to growers for the 1948-49 crop averaged about 1 cent below the $2.00 loan level, and in 1949-50 about 9 cents under the $1.95 level. Wheat prices to growers, parity and the price of No. 2 Hard Winter at Kansas City, 1935-51 are shown in table 1 .

Exports May Total About 275 Million Bushels
Carry-over May Be about 435 Million Bushels

Domestic disappearance of wheat during the July-December period was 341 million bushels, while exports for the same period were 111 million bushels. For the year ended June 30, 1951, domestic disappearance is estimated as follows: Civilian and military food, (including Territorial use) about 500 million; seed, 90 million; and feed from domestic supplies, 150 million. Food use per capita will be about the same as a year earlier, and

total seed requirements will be larger. Feed from domestic supplies may be about the same, although quantities so used in July-December were small. The quantity being fed this year is the smallest since about 1941. With a large portion of the 1950 crop in Canada frost damaged, significant quantities of feeding grade wheat will be available if needed for import later in the marketing season. Such imports would augment our domestic supply and increase the total quantity fed.

Exports in the 1950-51 marketing year are now expected to total about 275 million bushels, which compare with 250 million bushels estimated earlier in the season. The export demand exceeds 275 million bushels but the actual quantity which will be moved by June 30 will be limited by transportation and shipping facilities. Exports of 275 million bushels would be the smallest since 1944-45 and compare with 299 million bushels in 1949-50 and the all-time record high of 503 million bushels in 1948-49.

Total disappearance of domestic wheat in 1950-51 would be about 1,015 million bushels, the smallest since 1942-43. With the supply of 1,451 million bushels (July 1 stocks of 423 million 1/, production of 1,027 million, and imports for food use of 1 million), the carry-over next July would be about 435 million bushels. The highest carry-over was 631 million bushels in 1942 and the prewar (1932-41) average was 235 million bushels.

Stocks of wheat on January 1, 1951 totaled 998 million bushels. With stocks on October 1 of 1,205 million and imports of 2 million, the October-December disappearance of about 209 million bushels is indicated. This is the smallest for the quarter since 1941. The largest disappearance for the quarter was 338 million bushels in 1945. The disappearance for the quarter this year was distributed about as follows: Civilian and military food, about 125 million; seed, 24 million, and exports 60 million. Statistically, this leaves little for feed.

Stocks of wheat on January 1 in the various positions with comparisons for earlier years are shown in table 9. The 998-million-bushel estimate for January 1 this year has been exceeded on January 1 only by the 1,000 million bushels in 1942 and by the 1,152 million in 1943. The off-farm portion of the total of 662 million bushels compares with 582 million a year earlier and is larger than off-farm stocks on January 1 of any other year except 1943. Stocks in interior mills, elevators and warehouses are largest of record for January 1, terminal stocks were larger only on January 1, 1942, while stocks at merchant mills were larger on January 1 only in 1942 and 1943. While January 1 farm stocks are slightly larger than a year earlier, they are otherwise the smallest in 10 years.

Wheat Prices Above Loan, But Below the Legal Minimum

Average prices received by farmers on January 15 for wheat, at $2.09, were 10 cents above the loan rate of $1.99 but 26 cents below parity (the legal minimum price ceiling) of $2.35 on that date. Market prices immediately preceding the issuance of the General Price Ceiling Regulations on January 26 were higher than on January 15 and generally 15 to 20 cents above the loan

1/ Revised from 420 million on the basis of January revision in farm stocks.

level. Then on February 13 they reached the season high with prices at Kansas City and St. Louis about 30 cents above the loan. The advance was largely the result of continued dry conditions in important winter wheat producing areas. With drought conditions broken by subsequent rain, snow and sleet, the market declined, and on February 21 was around 20 cents above the loan. On that date, the price of No. 2 Hard Winter at Kansas City was $2.44 compared with the loan of $2.25, No. 1 Dark Northern Spring at Minneapolis was $2.47 compared with loan of $2.27 and No. 2 Red Winter at St. Louis, $2.53 compared with the loan of $2.30. With prices at terminal markets substantially above the loan, the movement to market increased and contributed to weaker prices.

Prices received by farmers for wheat and rye were exempted from the General Ceiling Price Regulation issued by the Office of Economic Stabilization. A subsequent amendment also exempted raw farm commodities as defined in Section 11A of the Regulation at all levels of distribution when prices of such commodities at the farm are below legal minimum. In processed form, prices of these commodities are subject to regulation. Since prices received by farmers for these commodities are below the highest of legal minimums required by the Defense Production Act of 1950, ceiling prices for these commodities in processed form may be adjusted upward by processors and distributors to the extent that the current price paid for these commodities at the farm level exceeds the highest price paid during the period December 19 through January 25. Such upward adjustments in these ceilings will be allowed to continue until the Director of Price Stabilization, in the manner prescribed by the regulation as amended announces by publication that the prices to producers have reached the legal minimum prescribed in the Defense Production Act of 1950.

General offers by CCC to sell wheat to exporters were withdrawn for February, and at the same time it was announced that CCC wheat would be sold for domestic use only where an emergency exists, or to meet demand for high protein or premium types. Wheat exports are being limited by the shortage of ocean shipping and of boxcars and to some extent by the capacity of physical handling facilities of U. S. ports. Reserves of wheat are adequate to meet export needs as well as domestic requirements.

Through December, loan and purchase agreement wheat from the 1950 crop totaled 181 million bushels against 313 million bushels from the 1949 crop on the same date a year earlier. In addition, about 5 million bushels of 1949-crop wheat had been resealed by November 30. On January 29, the CCC reported ownership of about 228 million bushels. As sales continue to be made out of CCC stocks for designated purposes, inventories will gradually be reduced before taking deliveries on 1950-crop loan wheat after April 30. Moreover, with wheat prices at terminals well above the loan, large quantities of wheat under loan have been redeemed and sold on the market. This is expected to continue, and if transportation is available there will be only a small quantity delivered to CCC.

July-December exports of wheat and flour totaled the equivalent of about 111 million bushels, compared with 169 million bushels a year earlier. Cumulative sales for the second year under the International Wheat Agreement through February 20 totaled 209 million bushels, which is far in excess of sales made by that time a year earlier. The total quota for the United States for the 1950-51 marketing year has been increased from 232 million bushels to 248 million bushels as a result of increasing the quota for India.

The payment of the export subsidy on wheat exports was suspended on February 13 in order to enable the Department and other interested government agencies to review the demand for U. S. wheat under the remainder of the U. S. quota. After allowing for commitments which the CCC already has made to Germany, Austria and Greece, along with its fairly definite additional requirements, little more than 20 million bushels remain in the United States quota under the Agreement for 1950-51. The export subsidy on flour still remains in effect.

Wheat Acreage Allotments Terminated; 16 Percent Increase in Spring Wheat Announced as Guide

On January 5 the Secretary of Agriculture announced that there will be no acreage allotments on the 1951 crop of spring wheat. This action was taken in the case of corn as well as wheat "because of the need for maximum production of these basic food and feed grains in the national emergency proclaimed by the President on December 16. Ample supplies of both corn and wheat are an essential safeguard in the national defense program." Termination of wheat allotments affords producers an opportunity to increase their acreage of spring wheat, and relieves all wheat producers from compliance with allotments as a condition for price support which has been announced at 90 percent parity as of July 1, 1951. On August 21, the Secretary announced the national average price support for the 1951 crop would be not less than $1.99 a bushel, which is the support level now in effect for the 1950 crop. If parity is higher at the beginning of the 1951-52 marketing year, the support will be higher to reflect 90 percent of parity at that time. The effective parity on January 15 was $2.35 per bushel, 90 percent of which is $2.12.

On February 2 the Secretary of Agriculture announced a spring wheat acreage of 21.4 million acres as a guide for spring seedings. This is 16 percent larger than the 18.5 million acres seeded in 1950, but 5 percent smaller than the 22.6 million acres seeded in 1949 which was the largest since 1937. Acreage guides for various crops were announced in order to assist farmers in planning an all-out 1951 production program for those crops which are considered most essential in the defense effort and at the same time to protect farm resources for the future. In connection with the announcement, the Secretary said, "No one knows how long the present emergency may last. It is therefore especially important that current crop production efforts be accompanied by good farm management and conservation practices which increase production this year and at the same time maintain fertility of the soil."

Increase in Carry-over Stocks Indicated for July 1, 1952

If 21.4 million acres of spring wheat is seeded and if yields equal the 1946-50 average of 14.1 bushels are obtained, a crop of about 300 million bushels would be produced. This added to the 899 million bushels for winter wheat, estimated in December, would total about 1,200 million bushels. Whether winter wheat production will reach the December estimate depends upon weather conditions during the next several weeks, and the ability of the wheat plants to recover from the earlier drought and freeze conditions. The next estimate will be as of April 1.

Domestic disappearance in 1951-52 is expected to total about 750 million bushels. Allowing for as much as 350 million bushels for exports, a total disappearance of 1,100 million bushels would be indicated. Production in excess of this quantity would increase the carry-over July 1, 1952 above that of this next July. If production turns out to be as much as 1,200 million bushels, estimated carry-over July 1, 1952 would be about 535 million bushels. The feed use, at 150 million bushels, would be from domestic production. This quantity would be increased by imports of damaged wheat from Canada.

Weather and Ability of Wheat Plants to Recover Important to Winter Wheat Prospects

In the Great Plains area, most of the wheat was seeded under favorable conditions and a good early growth covered the ground. For 18 weeks, however, moisture was deficient, almost totally lacking at some southwestern points, and topsoils had become powdery dry. Subsoil moisture was in good supply in most of the area. Because of the dry topsoil, wheat was not grazed to the usual extent and much top growth remains as protection against soil blowing. Light rain and snow has enabled plants to hold on, so that deterioration was limited in Texas, New Mexico and Colorado, while some improvement occurred in most of Oklahoma and Kansas during January and February. In virtually all instances it is felt that the condition of wheat is not hopeless, but that soaking rains would enable the well-known recuperative powers of the wheat plants to bring about recovery.

February and March are critical months, however, in the Great Plains. Wheat was mostly dormant when the early February cold wave occurred, so that freeze damage was minimized. It was, perhaps, offset by the destroying effect of the cold on aphis and other pests. Since the first week in February, weather conditions have been less unfavorable, particularly in the central Great Plains. The situation is satisfactory in Nebraska and northward. In the west, wheat has been mostly snow covered, except in parts of eastern Washington, where it is feared some reseeding will be necessary this spring because of winterkill in fields lacking snow cover. In the important East North Central wheat area, snow cover has been intermittent, but usually has been present when temperatures became low. In many sections the soil is unfrozen and snow-water has soaked in with little runoff at the time of thaws.

THE WORLD WHEAT SITUATION

BACKGROUND.- On July 1, 1943, stocks of wheat in the 4 principal exporting countries, United States, Canada, Australia and Argentina, were at a record of 1,737 million bushels, almost 4 times the 1935-39 average of 458 million. By July 1945, however, they were down to 818 million bushels, and by July 1946 they had been further reduced to 387 million. The low stock level followed greatly increased disappearance caused by wartime depletion of food supplies in importing countries and by poor crops in many areas. Stocks in the 4 countries on July 1, 1946 and 1947 were the smallest since 1938 and about 16 percent less than the 1935-39 average. By July 1949 these stocks had increased to 663 million bushels, and on July 1, 1950 they were 783 million.

Little Change Indicated in European Winter Wheat Acreage 2/

Prospects for bread grains sown in the fall of 1950 for harvest in 1951 in Europe were variable at latest report, with unfavorable weather during seeding time in a number of countries. Excessive rains held up seeding in many areas, especially during November, and may result in some reduction in winter grain acreage. Actual estimates of areas seeded are available for very few countries, but general indications in the principal production countries denote little change in acreage expected.

The acreage seeded to winter wheat in France up to January 1 was 9.5 million acres, about 4 percent less than on that date in 1949. Rye acreage was also slightly smaller than that of a year earlier. Spring wheat acreage may be expected to be increased to make up for this decrease so that the total breadgrain acreage will be about the same as a year earlier. The condition of the winter crops at the beginning of December was good on the basis of official reports. Trade reports since that time have noted the continuation of favorable conditions. The outlook is favorable in Italy, with little change from last year's acreage expected. Seeding has been backward in parts of Spain because of dryness in some areas. A 5 percent increase had been expected in that country's grain acreage. Seeding intentions in Western Germany called for a small net increase in winter breadgrain acreage, with increased wheat acreage more than offsetting a reduction in winter rye acreage. In the United Kingdom, the seeding of winter grain was delayed by heavy rains, and extensive spring seedings will be necessary if the goal of 2.55 million acres is to be reached. Little information is available on the seeding progress in Central Europe and the Balkan countries. The drought in the latter area was reported broken in early October, facilitating preparation for fall seeding. Heavy rains in the low countries and in Scandinavia are reported to have made some reduction in fall grain acreage in those countries. The Soviet Union reported sowing of fall grain accomplished early, with some increase over the 1949 sowings.

Little official information is available regarding the crop outlook in Asia. At latest report, the wheat acreage in India was in need of moisture, especially in the Northwest. Conditions elsewhere in the country were reported satisfactory. No information is available on winter grain prospects in China, the principal winter wheat producer of Asia.

Moisture Reserves in Canada 90 Percent of Normal

Moisture reserves in the Prairie Provinces of Canada up to November 15 were reported at 90 percent of normal compared with 72 percent a year earlier. Saskatchewan had 89 percent of normal, Alberta 88 percent of normal, and Manitoba 109 percent of normal. (In 1950 the acreage in Saskatchewan was 61 percent of the total of the wheat acreage in the Prairie Provinces, that in Alberta 28 percent and in Manitoba 11 percent). These reserves include moisture which fell on stubble land between harvest and about the time the ground froze (August-November) and took account of rains which fell on summer-fallowed land during the previous year. The percentages for the various districts were weighted on the basis of acreage.

2/ Most of the remaining text was adapted from "World Food Situation," February 1950, published by Office of Foreign Agricultural Relations, USDA.

The winter wheat acreage in Canada is placed at 918,000 acres, a decline of 12 percent from last year's seedings. Winter wheat in Canada is normally only about 5 percent of the total. The canadian fall rye acreage is indicated at 867,000 acreas -- down about 6 percent from the previous year.

1950 World Breadgrain Production Still Estimated At 239 Million Short Tons

The 1950 world harvest of bread grains (wheat and rye) is estimated at about 239 million short tons, only slightly below the record world production in 1948. The current estimate is a little larger than the 1949 outturn as well as above the immediate prewar average of 229 million tons, with increases in the wheat crop only partly offset by declines for rye. Production was one-third above prewar in North America and about 10 percent in Asia. Moderate deficits compared with prewar, estimated for Europe and the Soviet Union, however, partially offset those increases.

Table 2.- Breadgrain production, 1950 with comparisons 1/

Year	Continent or area							
	North America	Europe	U. S. S. R.	Asia	Africa	South America	Oceania	World total
	1,000 tons	1,000 tons	1,000 tons	1,000 tons	1,000 tons	1,000 tons	1,000 tons	1,000 tons
Average:								
1935-39:	34,090	69,420	61,980	45,360	4,320	8,740	5,310	229,220
1946 :	48,170	53,570	43,400	48,060	4,335	8,560	3,695	209,790
1947 :	52,840	43,900	52,100	46,230	3,870	10,220	6,750	215,910
1948 :	53,055	62,130	56,790	48,475	4,530	8,470	5,910	239,360
1949 :	46,740	65,030	59,600	44,640	4,740	8,680	6,690	236,120
1950 :	46,280	65,080	58,780	49,515	4,525	9,310	5,850	239,340

1/ Estimated production of wheat and rye.

The estimate of 6.4 billion bushels of wheat -- the largest crop since 1938, with the exception of the unusually favorable harvest of 1948 -- is unchanged from that published in the last issue of The Wheat Situation, which contained a detailed statement by countries. Small changes for the United States, Australia and Argentina did not change the rounded total. The crop estimate for the United States was revised in December from 1,010 million bushels to 1,027 million.

Australia's wheat crop was reduced by unfavorable weather during the latter part of the growing season. The latest estimate places the total outturn at about 185 million bushels, compared with the earlier forecast of about 200 million bushels. In addition to lowering the actual outturn, the unfavorable conditions greatly reduced the quality of the grain in New South Wales and Queensland. The lowered quality of a substantial part of the outturn results in a more of a reduction in exportable surplus than the actual

reduction in estimated production would imply. Earlier estimates of a possible 125-million-bushel exportable surplus have been reduced to about 85 million bushels from the current crop, which would be approximately Australia's quota under the International Wheat Agreement. This contrasts with exports of about 125 million bushels during the crop season ended November 1950.

The Argentina wheat crop is now officially forecast at about 220 million bushels, compared with the earlier unofficial prospect of 230 million bushels. Taking account of unexpectedly heavy losses in some areas from rust damage and hail, private estimates currently range from about 190 to 200 million bushels. Considerable abondonment is reported from those areas because of high costs for harvesting such fields. This current outlook is for a below-average crop as well as smaller than that of a year ago.

Canada Increases Initial Prices to Growers

Initial payments to Canadian growers for 1950-51 deliveries of western wheat were increased, effective February 1, 1951. The action was made possible by the level of prices received to date and by the present market outlook, according to the announcement of the increase made by the Minister of Trade and Commerce. The increase brings the initial payment for wheat to $1.60 per bushel (Canadian currency) for No. 1 Northern wheat, basis in store at Fort William/Port Arthur or Vancouver. This is an increase of 20 cents per bushel over the $1.40 rate originally announced as the initial payment for 1950-51. The increased rates apply to all grades of grain delivered or to be delivered to the Board during the current crop year. Adjustment payments should begin in March, according to a statement of the Minister. Estimates place the amount to be paid on deliveries prior to February at about $51 million for wheat. An announcement of the final payment on the 1945-49 wheat pool is also expected soon.

World Trade in Breadgrain Down about 5 Percent

Present indications are that world trade in wheat and rye during the 1950-51 marketing year will total about 5 percent less than in 1949-50, when they totaled about 26.3 million short tons. Practically all of this trade will be in wheat and wheat flour in as much as trade in rye has accounted for only 5 or less percent of total world trade in breadgrains in the postwar period.

Of the total, about 16.2 million short tons of wheat -- or 65 percent - are expected to be traded under the International Wheat Agreement, with some indication that this percentage may be increased before the year is out. Stabilized prices and assured sources of supply under the Agreement are assuming increasing importance as factors of trade in importing countries. All important deficit areas, except Japan, are now covered by the International Wheat Agreement. World exports of wheat and flour in 1949-50 totaled 820 million bushels compared with 958 million in 1948-49 and 943 million in 1947-48. Exports of wheat and flour from the four principal exporting countries -- United States, Canada, Australia and Argentina -- totaled 733 million compared with 908 million the year before and 893 million in 1947-48. Other exporting countries, including the Soviet Union, exported an estimated 87 million bushels in 1949-50 compared with 50 million in each of the two preceding years.

The major postwar adjustment of world trade in breadgrains occurred in the 1949-50 marketing year, when exports declined substantially from the near-record level of the 1948-49 year. This adjustment was reflected largely in reduced exports of wheat and flour from the United States, but only small further declines from the 300 million bushel total of wheat and flour exports from this country are expected during the current shipping year. Because of some reduction in the expected availability of wheat from non-dollar sources, transportation difficulties in Canada, and extraordinary requirements in areas such as Yugoslavia and India, it now appears that 1950-51 exports of wheat and flour from the United States will exceed earlier expectations of 250 million bushels by at least 10 percent. The increase will depend to a large extent on the availability of internal transportation, port and ocean shipping facilities.

Export availabilities of bread grains from the other principal exporting countries during 1950-51 are expected to show little change from a year ago. This does not include an allowance for significant quantities of low quality wheat which will be available for export from Canada later in the marketing year. In Australia, reduced supplies of wheat for export from the 1950-51 crop will be augmented by an increased carry-over from production of the previous year. Any increase in availability in Argentina will be limited to the crop recently harvested, since carry-over on December 1, 1950 was reported to be at minimum levels. Some reduction from the 1949-50 total of rye exports from Eastern Europe is expected during the current year. Exports of wheat from the Soviet Union and Danube Basin are also moving at a reduced rate thus far in the 1950-51 marketing year.

The principal reason for the expected decline in world trade in breadgrains during the 1950-51 year are reduced takings in most of the traditionally deficit countries of Western Europe, as a result of increased domestic supplies and further declines in consumption as other foods have become available. Much better harvests, particularly in Turkey, will also remove that country, and probably Iran, from the list of importing countries in the current year as compared with 1949-50, when over 600,000 tons were imported into these two countries. On balance, the declines will more than offset expected increases in import requirements in other countries, including extraordinary demands from such countries as Yugoslavia and India resulting from unfavorable domestic production.

World Rice Production about Prewar;
World Trade only above Half 3/

One of the world's largest rice crops is being harvested in the 1950-51 (August-July) crop year. Production in terms of milled rice is estimated at 119 million short tons, compared with 116.7 million tons in 1949-50 and the

3/ Rice is one of the world's most important food grains and normally provides one-fifth of the world's food supply. Rice production in 1950, estimated at 171.5 million tons, is almost 90 percent as large as the wordl wheat production, estimated at 192.0 million tons. Before the war, about 95 percent of the world's supply of rice was produced in southern and eastern Asia and nearby territory. Burma, Thailand, French Indo-China and Korea were the principal exporters, and Japan, India, Ceylon, Brithis Maylaya, and China the largest importers. During the war, rice production was increased in the Western Hemisphere and Egypt.

prewar (1935-36/1939-40) average of 117.2 million tons (tables 13 and 14). Despite the large production, world trade in 1951 will be about the same as in 1950 but still be only about half of what it was before World War II. Moreover, per capita consumption of rice will continue less than the prewar rate because of the gain in population in the heavy rice-consuming countries of the world.

The total production of Asia, representing 92 percent of the world production, is larger than in the preceding year, but still 2 percent less than before World War II. The harvest is below expectations this year because of drought conditions in northeastern India, which caused a substantial reduction in that country's crop.

The high postwar level of production generally is being maintained in the continents other than Asia. Their combined harvest is about 4.5 million tons, or 85 percent larger than before World War II. Europe's record production in 1950 was 15 percent larger than prewar and exceeded by 11 percent the previous record of a year earlier. Although decreases are forecast in both North and South America, compared with the year before, their total production is 78 to 86 percent, respectively, larger than the prewar average. Indications are that Africa's production is about the same as in the preceding year, and 63 percent larger than before the war.

World Exportable Supplies of Rice in 1951 Fully Equal to Year Earlier

World exportable supplies during the 1951 calendar year from the 1950-51 crop are forecast at about the same level as, or perhaps slightly exceeding, the exports of a year ealier (table 14). Actual exports in 1950 are estimated at 4.6 million short tons. While the total volume was only about half of the prewar level, exports from the interior of Burma exceeded earlier estimates.

Rice Exporting Countries

Asia's exporting countries in 1951 are expected to supply approximately 70 percent of the world's exportable surplus of rice. About 63 percent of the world exportable surplus is centered in the so-called "rice bowl" of Asia, Burma, Thialand, and Indo-China (Cambodia, Laos, and Vietnam). Exportable supplies in this region are estimated at 2.95 million short tons of milled rice, compared with 2.84 million tons in the preceding year and 6.30 million tons in 1936-40.

Thailand is the only one of these countries where acreage and production have been restored to the prewar average. Burma's acreage is only 72 percent, and its exports only 40 percent, of the prewar level. Good crops are being harvested in these countries, and the exportable supplies are forecast at about the same level as 1950 exports.

Although the surplus available for export from Indo-China is estimated at 200,000 short tons, larger stocks may exist in the Transbassac area of South Vietnam. The exportation of any sizable quantity, even up to this volume depends upon several factors: (1) The repeal of the current decree which prohibits exports, (2) the lifting of the Transbassic blockade, and (3) political and military factors.

Formosa should have some surplus from its record crop of 1950-51. Despite a natural increase in population and also immigration from China, production is estimated to be sufficient for domestic requirements and to permit the exportation of rice to other countries.

The exportable supplies in countries other than in Asia represent about 30 percent of the world total exports. Proportionately, these availabilities exist in the following continents: North America (principally United States), 13 percent; South America (Brazil and Ecuador), 4 percent, Europe (Italy), 5 percent; and Africa (Egypt), 7 percent.

Rice exports from the surplus countries of the Western Hemisphere in 1951 also probably will approximate those of 1950, both in North and South America. Although a smaller acreage was planted in the United States, the yields per acre were considerably higher so that the harvest was only moderately below that of the year before. 4/ Export supplies in Mexico show a moderate increase over those of a year earlier.

Rice production statistics for most South American countries are not yet available, since the harvest will not be completed for some months. Present indications are that total production will be less than in 1950, but the expected reduction in current crop supplies in 1951 may be partly offset by carry-over of stocks from the 1950 crop.

Production in Brazil, South America's largest producer and exporter of rice, is reported to be less than last year. Because of the reduction in the harvest, prospects are that the surplus, if any, from the 1951 crop may be reduced from the export availabilities of the 1950 harvest. Some of the unshipped surplus of last season's crop, however, probably will be exported during the 1951 calendar year.

Climatic conditions in Italy and Egypt, the principal areas of export in Europe and Africa, were beneficial for rice production, and since large acreages were planted, production was at a high level. The export surpluses approximate the relatively large availabilities in 1950, estimated at 340,000 and 200,000 tons, respectively.

Rice Importing Countries

In recent years about 80 percent of the world's rice surplus has been imported into the deficit countries of Asia (table 13). These principally were Japan, India, and China. Sizeable imports are required also in Ceylon, Malaya, Indonesia, and lesser quantities in Hong Kong and the Philippines.

4/ Rice production in the United States was increased when export supplies from Asia were cut off by the war. This Asian trade has not yet been fully restored, and was only about 35 percent of prewar in 1950. United States rice exports in 1949 were 13 percent of the total rice entering world trade compared with 1 percent in 1936-40. This is the result of a 5-fold increase in United States exports and a sharp drop in world trade.

Japan's requirements will continue to be heavy, since even the volume imported before the war has been unavailable in postwar years. India's needs will be substantially larger in 1951 than in 1950, because of a severe reduction in some areas on account of floods. The other importing countries of the world will require at least the volume imported in 1950.

THE RYE SITUATION AND OUTLOOK

BACKGROUND.- United States rye acreage harvested in the past 5 years (1945-49) averaged 1.8 million acres, compared with 3.7 million in 1938-42 and 6.0 in 1918-22. Production in the past 5 years averaged 22.8 million bushels compared with 46.2 in 1938-42 and the peak of over 100 million bushels in 1922. Exports of rye averaged nearly 34 million bushels a year during the 10 years ending with 1927-28. Exports have dropped sharply since then and from 1930 to 1943-44 they amounted to more than 1 million bushels in only one year. In 1944-45 to 1949-50 exports averaged 4 million bushels. In each of the drought years of 1933 and 1934 imports totaled about 12 million bushels. Since 1934 imports have been above 4 million in 5 years.

Rye Stocks on January 1 Largest Since 1945; July-December Disappearance Below Average

Stocks of rye on January 1, 1951, at nearly 19 million bushels, were 1-1/2 million bushels above last year and the largest since 1945 (table 2). In each of the 5 years prior to 1945, however, January 1 stocks were larger and averaged more than double those of this year. Farm stocks on January 1 totaled 7.3 million bushels compared with only 4.8 million a year earlier and 14.8 million the 1940-49 average. Terminal stocks amounting to 7.9 million bushels were 1.5 million bushels below last year but with that exception were the largest since 1945. Interior mill stocks were slightly larger than last year and totaled 9.8 million bushels.

With supplies of rye for the first half of the year totaling 34.8 million bushels, including 2.3 million bushels of imports (7.4 million a year earlier) 5/, July-December disappearance totaled 15.9 million bushels. This was about one million below the same period last year and 10 million bushels below the 1939-48 average for the period. The smaller disappearance was due to lighter feeding and smaller exports. Only in the seasons of 1946, 1947 and 1948 when supplies were small was disappearance less than this season. Disappearance in July-December is shown in table 11.

5/ Imports are from Canada. Supplies in that country in 1950-51 are estimated at 20 million bushels, which is about 2 million bushels below those in 1949-50.

Rye Disappearance in 1950-51 May Be Above Year Earlier; Carry-over May Be Slightly Less

Rye supplies for the 1950-51 marketing year, including July 1, 1950 carry-over of 9.5 million bushels, production of 23.0 million, and imports which may amount to 5 million, total 37.5 million bushels. This is 4 percent above the 35.9 million bushels a year earlier, but 29 percent below the 54.4 million average for 1939-48. Disappearance for the 1950-51 year, on the basis of disappearance the first 6 months and prospects for the next 6 months, is shown in table 10. The carry-over July 1, 1951 may be slightly below the 9.5 million bushels a year earlier.

Rye Prices Advance in December and January; New Price Support Program Announced

Rye prices at Minneapolis averaged $1.41 per bushel July through November this year, which was the same as in the same period a year earlier. However, in the past 2 months rye prices have advanced sharply due in part to the general advance in the price level. In January No. 2 rye at Minneapolis averaged $1.75 per bushel compared with $1.37 in October, the low point of this season, and $1.42 in January 1950. On February 21 the price of No. 2 at Minneapolis was $1.92 compared with $1.74 on January 15. Farm prices of rye averaged $1.48 per bushel in mid-January. This compares with $1.25 a year earlier, and the January 15, 1951 parity price of $1.73 per bushel which is also the legal minimum. 6/ Average wheat prices to growers, parity and the price of No. 2 Minneapolis, 1942-50 are shown in table 12.

The price support program for rye was announced on February 15. The 1951-crop rye will be supported at 75 percent of parity, the same as for the 1950 crop, and will reflect a national average of $1.30 a bushel as compared with $1.28 for the 1950 crop.

Acreage for 1951 Rye Crop Up 2 Percent

The acreage seeded to rye for all purposes in the fall of 1950 was estimated at 3,782,000 acres, an increase of 2 percent from that seeded in the fall of 1949. The seeded acreage includes the acreage intended for hay, pasture, and soil improvement purposes as well as rye to be harvested for grain. The condition of rye on December 1, at 87 percent, was one point below that of a year earlier but 5 points above the 10-year average.

The 1950 rye acreage harvested for grain was estimated at 1,822,000 acres or well above the 1949 acreage of 1,560,000 acres but was below the 10-year average. The yield of 12.6 bushels per acre compares with 12.0 for 1949 and 12.0, the 1939-48 average. The rye crop estimated at 23.0 million bushels was 23 percent larger than the 1949 crop but 29 percent smaller than the 10-year average.

6/ See page 7 for statement on exemption of rye prices from the General Ceiling Price Regulation.

Table 4.- Wheat: Weighted average cash price, specified markets and dates 1949-50 to 1950-51

Month and date	All classes and grades six markets		No. 2 Dark Hard and Hard Winter Kansas City		No. 1 Dark N. Spring Minneapolis		No. 2 Hard Amber Durum Minneapolis		No. 2 Red Winter St. Louis		No. 1 Soft Wheat Portland 1/	
	1949-50	1950-51	1949-50	1950-51	1949-50	1950-51	1949-50	1950-51	1949-50	1950-51	1949-50	1950-51
	Dol.	Dol.	Dol.	Dol.	Dol.	Dol.	Dol.	Dol.	Dol.	Dol.	Dol.	Dol.
Month												
Dec.	2.27	2.36	2.22	2.35	2.38	2.46	2.30	2.36	2.20	2.33	2.20	2.19
Jan.	2.26	2.41	2.22	2.40	2.37	2.49	2.29	2.52	2.22	2.46	2.19	2.28
Week ended-												
Dec. 9	2.28	2.32	2.23	2.28	2.37	2.44	2.31	2.33	---	---	2.21	2.14
16	2.27	2.35	2.22	2.34	2.38	2.46	2.30	2.36	---	2.30	2.21	2.20
23	2.26	2.40	2.21	2.40	2.37	2.49	2.29	2.44	---	2.42	2.19	2.21
30	2.26	2.40	2.21	2.40	2.36	2.48	2.28	2.43	2.20	---	2.18	2.22
Jan. 6	2.29	2.39	2.23	2.40	2.40	2.48	2.28	2.42	2.24	2.48	2.19	2.23
13	2.26	2.41	2.21	2.40	2.36	2.48	2.29	2.50	2.20	---	2.18	2.27
20	2.24	2.39	2.21	2.38	2.34	2.47	2.28	2.52	2.21	2.42	2.19	2.28
27	2.26	2.42	2.24	2.40	2.37	2.51	2.32	2.53	---	---	2.20	2.32
Feb. 3	2.22	2.51	2.21	2.46	2.33	2.57	2.27	2.63	2.22	2.52	2.21	2.34
10	2.24	2.52	2.20	2.48	2.33	2.60	2.28	2.59	2.15	---	2.19	2.36
17	2.25	2.56	2.23	2.51	2.32	2.65	2.26	2.61	2.14	2.54	2.21	2.38

1/ Average of daily cash quotations.

Table 5.- Wheat: Average closing prices of May wheat futures, specified markets and dates, 1949-1950 to 1950-51

Period	Chicago		Kansas City		Minneapolis	
	1949-50	1950-51	1949-50	1950-51	1949-50	1950-51
	Dollars	Dollars	Dollars	Dollars	Dollars	Dollars
Month						
Dec.	2.14	2.40	2.10	2.32	2.18	2.35
Jan.	2.11	2.46	2.07	2.37	2.15	2.40
Week ended						
Dec. 9	2.15	2.34	2.10	2.27	2.19	2.31
16	2.15	2.40	2.11	2.32	2.20	2.35
23	2.13	2.45	2.09	2.37	2.17	2.41
30	2.11	2.45	2.08	2.36	2.17	2.40
Jan. 6	2.12	2.45	2.08	2.37	2.15	2.39
13	2.11	2.46	2.06	2.37	2.14	2.40
20	2.10	2.44	2.06	2.36	2.14	2.38
27	2.11	2.45	2.07	2.37	2.15	2.39
Feb. 3	2.08	2.54	2.04	2.45	2.12	2.48
10	2.07	2.57	2.04	2.47	2.12	2.50
17	2.09	2.60	2.06	2.50	2.15	2.53

Table 6.- Wheat: Prices per bushel in three exporting countries, Friday nearest mid-month, January 1950-February 1951 weekly December 1950-February 1951

Date (Friday)	HARD WHEAT		HARD WHEAT	SOFT WHEAT	
	United States No. 1 Dark Northern Spring 13 per cent protein at Duluth 1/	Canada No. 2 Manitoba at Fort William 2/	United States No. 1 Dark Winter Galveston 1/	United States No. 1 Portland 1/	Australia 1/ 3/
	Dollars	Dollars	Dollars	Dollars	Dollars
Friday mid-month					
January 13	2.27	1.92	2.38	2.18	2.12
February 17	2.28	1.92	2.42	2.215	2.12
March 17	2.32	1.99	2.46	2.24	2.12
April 14	2.34	2.01	2.485	2.235	---
May 12	2.40	1.92	2.455	2.24	4/2.09
June 16	2.36	1.85	2.315	2.22	---
July 14	2.50	1.85	2.42	2.16	5/2.01
August 18	2.40	1.85	2.45	2.13	---
September 15	2.35	1.77	2.42	2.13	---
October 13	2.30	1.83	2.39	2.12	5/2.06
November 17	2.30	1.84	2.475	2.12	2.06
December 15	2.37	1.84	2.59	2.22	
January 12	2.47	1.87	2.585	2.27	
February 16	2.58	2.01	2.725	2.38	
Weekly					
December 1	2.29	1.84	2.47	2.13	
8	2.37	1.84	2.54	2.15	
22	2.43	1.84	---	2.21	
29	2.43	1.84	---	2.22	
January 5	2.48	1.84	2.60	2.225	
19	2.43	1.91	2.61	2.29	
26	2.43	1.91	2.62	2.33	
February 2	2.54	1.98	2.70	2.36	
9	2.59	1.99	2.72	2.37	

1/ F. O. B. spot to arrive.
2/ Fort William quotation is in store. Converted to U. S. currency.
3/ Sales to non-contract countries.
4/ Asking prices, May 19.
5/ Sale of 7 million bushels to Egypt.

Table 7.- Wheat: Supply and disappearance, United States, 1935-50 1/

Year beginning July	Supply				Disappearance								
					Continental United States					Military procurement 4/	Exports 5/	Shipments 6/	Total
	Carry-over 2/	Production	Imports 3/	Total	Processed for food	Seed	Industrial	Feed	Total				
	1,000 bushels	1,000 bushels	1,000 bushels	1,000 bushels	1,000 bushels	1,000 bushels	1,000 bushels	1,000 bushels	1,000 bushels	1,000 bushels	1,000 bushels	1,000 bushels	1,000 bushels
1935	145,889	628,227	34,617	808,733	483,750	87,479	57	89,893	661,179	---	4,232	2,889	668,300
1936	140,433	629,880	34,455	804,768	489,474	95,896	51	104,170	689,591	---	9,339	2,996	701,926
1937	83,167	873,914	634	957,715	485,433	93,060	39	119,111	697,643	---	103,644	3,321	804,608
1938	153,107	919,913	271	1,073,291	495,855	74,225	103	142,425	712,608	---	107,780	2,888	823,276
1939	250,015	741,210	263	991,488	490,415	72,946	89	99,953	663,403	---	44,893	3,471	711,767
1940	279,721	814,646	3,523	1,097,890	491,845	74,351	101	109,388	675,685	---	33,638	3,834	713,157
1941	384,733	941,970	3,664	1,330,367	473,266	62,490	1,614	114,145	651,515	16,133	27,880	4,064	699,592
1942	630,775	969,381	1,057	1,601,213	499,986	65,487	54,342	300,823	920,638	25,244	30,872	5,562	982,316
1943	618,897	843,813	136,360	1,599,070	481,876	77,351	107,527	507,175	1,173,929	62,759	42,811	3,016	1,282,515
1944	316,555	1,060,111	42,347	1,419,013	471,895	80,373	82,295	301,971	936,534	150,146	49,106	4,047	1,139,833
1945	279,180	1,108,224	2,000	1,389,404	473,518	82,011	20,971	297,898	874,398	90,884	320,026	4,008	1,289,316
1946	100,088	1,153,046	57	1,253,191	483,329	86,498	44	175,434	745,305	92,452	327,628	3,993	1,169,378
1947	83,813	1,367,186	130	1,451,129	488,752	90,746	608	182,188	762,294	148,616	340,312	3,916	1,255,138
1948	195,991	1,313,534	1,501	1,511,026	478,999	94,615	79	117,489	691,182	181,518	327,042	3,517	1,203,259
1949 7/	307,767	1,141,168	2,307	1,451,262	485,024	81,433	70	154,464	720,991	123,805	179,418	3,783	1,027,997
1950 7/	423,265	1,026,755											

1/ Includes flour and products in terms of wheat.

2/ Prior to 1937 some new wheat included; beginning with 1937 only old crop wheat is shown in all stocks positions. The figure for July 1, 1937, including the new wheat, is 102.8 million bushels, which is used as year-end carry-over in the 1936-37 marketing year.

3/ Imports include full-duty wheat, wheat imported for feed, and dutiable flour in terms of wheat. They exclude wheat imported for milling in bond and export as flour, also flour free for export.

4/ Includes procurement for both civilian relief feeding and for military food use; military takings for civilian feeding in occupied areas measured at time of procurement, not at time of shipment overseas.

5/ Exports as here used, in addition to commercial exports, include U.S.D.A. flour procurement rather than deliveries for export. Beginning with 1941-42, deliveries for export (actual exports, including those for civilian feeding in occupied area) of wheat, flour, and other products, in million bushels, were as follows: 27.9; 28.0; 42.6; 144.4; 390.6; 397.4; 484.9; 503.8, and for 1949-50, 298.9.

6/ To Alaska, Hawaii, Puerto Rico, Guam, Samoa, Virgin Islands, and Wake Island.

7/ Preliminary.

Table 8.- Wheat: Production in Europe and four major exporting countries, 1914-50

Year beginning July	Europe	United States	Canada	Argentina	Australia	Year beginning July	Europe	United States	Canada	Argentina	Australia
	Million bushels	Million bushels	Million bushels	Million bushels	Million bushels		Million bushels	Million bushels	Million bushels	Million bushels	Million bushels
1914	1,103	897	161	169	25	1933	1,745	552	282	286	177
1915	1,172	1,009	394	169	179	1934	1,550	526	276	241	133
1916	1,055	635	263	84	152	1935	1,510	628	282	141	144
1917	897	620	234	235	115	1936	1,390	630	219	250	151
1918	980	904	189	130	76	1937	1,470	874	180	208	187
1919	929	952	193	217	46	1938	1,770	920	360	379	155
1920	975	843	263	156	146	1939	1,645	741	521	131	210
1921	1,225	819	301	191	129	1940	1,265	815	540	299	82
1922	1,045	847	400	196	109	1941	1,360	942	315	238	167
1923	1,260	759	474	248	125	1942	1,265	969	557	235	156
1924	1,060	842	262	191	165	1943	1,445	844	284	250	110
1925	1,400	669	395	191	115	1944	1,395	1,060	417	150	53
1926	1,215	832	407	230	161	1945	985	1,108	319	144	142
1927	1,275	875	480	282	118	1946	1,310	1,153	414	206	117
1928	1,410	914	567	349	160	1947	1,005	1,367	342	245	220
1929	1,435	824	302	163	127	1948	1,455	1,314	386	190	191
1930	1,360	887	421	232	214	1949	1,505	1,141	367	210	218
1931	1,435	942	321	220	191	1950	1,530	1,027	462	230	185
1932	1,490	756	443	241	214						

Data for Europe as follows: 1914-19 from F. A. O.; 1920 to date are O. F. A. R. estimates. Figures for 1935 to date have been adjusted to take account of changed boundaries resulting from World War II and are, therefore, not entirely comparable with earlier years shown, which are on a 1937 boundary basis. Data for United States, Canada, Argentina and Australia are official figures for each country.

Table 9.- Wheat: Stocks in the United States on January 1, 1942-51 1/

Stocks position	1942	1943	1944	1945	1946	1947	1948	1949	1950	1951
	1,000 bushels	1,000 bushels	1,000 bushels	1,000 bushels	1,000 bushels	1,000 bushels	1,000 bushels	1,000 bushels	1,000 bushels	1,000 bushels
Farm	371,775	484,754	382,351	384,638	361,031	365,794	428,666	391,379	326,942	335,670
Interior mills, elevators and warehouses 2/	221,708	238,125	145,454	160,432	108,776	119,044	116,827	203,933	237,424	279,914
Terminals	270,835	245,150	136,264	152,043	102,131	56,256	141,889	166,348	219,038	247,318
Merchant mills and mill elevators	135,601	139,385	112,130	114,387	95,276	96,779	111,130	103,113	117,739	129,357
Commodity Credit Corporation wheat 3/	---	45,000	41,400	16,847	14,778	4,404	3,100	3,701	7,805	5,451
Total	999,919	1,152,414	817,599	828,347	681,992	642,277	801,612	868,474	908,948	997,710

Terminal stocks (Commercial) are reported by the Production and Marketing Administration. Stocks owned by the Commodity Credit Croporation not included by position are reported by CCC. Stocks in other positions are estimated by the Crop Reporting Board. 1/ January 1 stocks for earlier years as well as for other quarters are shown in The Wheat Situation, issue of December 1948-February 1949, page 16. 2/ Includes all off-farm storages not other wise designated. 3/ Wheat owned by CCC and stored in bins or other storage owned or controlled by CCC; also CCC-owned grain in transit and in Canadian elevators. Other wheat owned by CCC, as well as wheat outstanding under loan is included in other stocks positions.

Table 10.- Rye: Supply and disappearance, United States, 1934-50

Year beginning July	Supply				Disappearance						
					Domestic					Exports 4/	Total
	Carry-over 1/	Production	Imports	Total	Food 2/	Feed 3/	Seed	Alcohol, spirits	Total		
	Million bushels	Million bushels	Million bushels	Million bushels	Million bushels	Million bushels	Million bushels	Million bushels	Million bushels	Million bushels	Million bushels
1934	14.9	16.3	11.2	42.4	8.0	4.8	8.6	10.2	31.6	5/	31.6
1935	10.8	56.9	2.3	70.0	6.9	21.9	8.7	12.8	50.3	5/	50.3
1936	19.7	24.2	3.9	47.8	7.0	13.8	10.0	11.6	42.4	0.2	42.6
1937	5.2	48.9	5/	54.1	5.9	18.0	9.1	6.0	39.0	6.6	45.6
1938	8.5	56.0	5/	64.5	6.8	19.8	9.7	5.5	41.8	0.8	42.6
1939	21.9	38.6	5/	60.5	7.0	20.2	7.4	5.6	40.2	0.7	40.9
1940	19.6	39.7	1.4	60.7	7.1	19.9	8.1	6.7	41.8	0.2	42.0
1941	18.7	43.9	8.8	71.4	7.8	19.4	8.3	6.8	42.3	5/	42.3
1942	29.1	52.9	1.5	83.5	8.3	27.2	6.8	2.1	44.4	0.5	44.9
1943	47.1	28.7	8.3	84.1	8.7	33.7	5.8	4.5	52.7	0.4	53.1
1944	31.0	22.5	4.1	57.6	7.8	18.8	5.4	10.3	42.3	3.1	45.4
1945	12.2	24.0	2.0	38.2	6.7	9.1	4.5	8.3	28.6	7.2	35.8
1946	2.4	18.9	1.6	22.9	4.5	6.4	4.9	4.2	20.0	0.6	20.6
1947	2.3	26.0	5/	28.3	4.6	6.1	5.0	6.6	22.3	2.7	25.0
1948	3.3	26.4	6.8	36.5	4.7	7.0	4.4	6.7	22.8	5.4	28.2
1949	8.3	18.7	8.9	35.9	4.7	6.1	4.9	4.9	20.6	5.8	26.4
1950 6/	9.5	23.0	5.0	37.5	5.0	6.5	5.0	7.0	23.5	5.0	28.5
1951	9.0										

1/ 1934-42, farm and terminal stocks only. Beginning in 1943, the figures also include interior mill and elevator stocks.
2/ Calculated from trade sources, 1934-45; from Bureau of the Census, 1945 to date.
3/ Residual item.
4/ Includes flour.
5/ Less than 50,000 bushels.
6/ Preliminary.

Table 11.- Rye: Supply and disappearance, United States, January-June and July-December periods, 1943-50

Period	Supply				Disappearance						
					Domestic					Exports 4/	Total
	Stocks 1/	Production	Imports	Total	Food 2/	Feed 3/	Seed	Alcohol, spirits	Total		
	1,000 bushels	1,000 bushels	1,000 bushels	1,000 bushels	1,000 bushels	1,000 bushels	1,000 bushels	1,000 bushels	1,000 bushels	1,000 bushels	1,000 bushels
1943											
July-Dec.	47,114	28,680	765	76,559	4,549	20,937	5,293	3,429	34,208	243	34,451
1944											
Jan.-June	42,108	---	7,549	49,657	4,185	12,770	460	1,081	18,496	176	18,672
July-Dec.	30,985	22,525	3,299	56,809	3,685	13,394	4,994	8,753	30,826	393	31,219
1945											
Jan.-June	25,590	---	850	26,440	4,092	5,386	435	1,610	11,523	2,751	14,274
July-Dec.	12,166	23,952	1,869	37,987	3,413	6,863	4,098	6,513	20,887	3,785	24,672
1946											
Jan.-June	13,315	---	127	13,442	3,242	2,340	356	1,803	7,741	3,324	11,065
July-Dec.	2,377	18,879	865	22,121	2,476	5,023	4,506	1,407	13,412	205	13,617
1947											
Jan.-June	8,504	---	776	9,280	2,021	1,326	391	2,828	6,566	368	6,934
July-Dec.	2,346	25,975	41	28,362	2,360	3,476	4,670	1,981	12,487	1,441	13,928
1948											
Jan.-June	14,434	---	0	14,434	2,196	2,659	406	4,608	9,869	1,212	11,081
July-Dec.	3,353	26,449	2,040	31,842	2,414	4,099	4,080	3,700	14,293	259	14,552
1949											
Jan.-June	17,290	---	4,754	22,044	2,298	2,899	355	3,015	8,567	5,172	13,739
July-Dec.	8,305	18,739	7,436	34,480	2,438	4,771	4,536	2,003	13,748	3,289	17,037
1950											
Jan.-June	17,443	---	1,471	18,914	2,276	1,326	394	2,859	6,855	2,521	9,376
July-Dec. 5/	9,538	22,977	2,319	34,834	2,599	3,806	4,600	4,012	15,017	836	15,853
1951 Jan.-June	18,981										

1/ Includes stocks in interior mill and elevators, in addition to stocks on farms and in terminals.
2/ Calculated from trade sources, 1943-45; from Bureau of the Census, 1945 to date.
3/ Residual item.
4/ Includes flour.
5/ Includes estimates for December.

Table 12.- Rye: Average price per bushel received by farmers, parity price, and price of No. 2 at Minneapolis, 1942-50

Year beginning July	July	August	September	October	November	December	January	February	March	April	May	June	Average
	Dollars	Dollars	Dollars	Dollars	Dollars	Dollars	Dollars	Dollars	Dollars	Dollars	Dollars	Dollars	Dollars
	Price received by farmers on 15th of month 1/												
1942	.51	.49	.55	.53	.50	.56	.61	.64	.69	.70	.72	.80	.58
1943	.91	.89	.95	1.01	1.02	1.07	1.11	1.11	1.11	1.12	1.11	1.05	.97
1944	1.07	1.08	1.02	1.08	1.08	1.06	1.09	1.08	1.09	1.11	1.12	1.21	1.09
1945	1.22	1.24	1.31	1.38	1.50	1.43	1.50	1.64	1.75	1.95	1.92	1.45	1.36
1946	1.76	1.62	1.91	1.99	2.07	2.18	2.18	2.33	2.81	2.47	2.45	2.40	1.93
1947	2.36	2.11	2.48	2.49	2.49	2.45	2.47	1.94	2.14	2.17	2.12	1.91	2.27
1948	1.72	1.46	1.39	1.43	1.51	1.47	1.44	1.23	1.18	1.18	1.19	1.13	1.44
1949	1.20	1.20	1.27	1.28	1.25	1.26	1.25	1.19	1.21	1.20	1.24	1.21	2/1.21
1950	1.26	1.25	1.29	1.27	1.32	1.37	1.48						
	Parity price 3/												
1942	1.08	1.08	1.08	1.09	1.09	1.11	1.11	1.12	1.13	1.14	1.15	1.15	
1943	1.16	1.17	1.17	1.17	1.18	1.19	1.20	1.20	1.20	1.20	1.20	1.21	
1944	1.21	1.21	1.21	1.21	1.21	1.22	1.22	1.22	1.22	1.22	1.22	1.23	
1945	1.23	1.23	1.24	1.25	1.25	1.25	1.27	1.27	1.28	1.28	1.31	1.33	
1946	1.41	1.43	1.42	1.47	1.50	1.51	1.54	1.58	1.62	1.63	1.63	1.64	
1947	1.64	1.67	1.70	1.71	1.72	1.75	1.79	1.78	1.77	1.79	1.79	1.79	
1948	1.79	1.79	1.79	1.78	1.77	1.77	1.77	1.76	1.76	1.76	1.76	1.75	
1949	1.75	1.74	1.73	1.72	1.72	1.73	4/1.65	1.65	1.67	1.67	1.70	1.70	
1950	1.71	1.72	1.75	1.76	1.77	1.79	1.73						
	Price of No. 2 at Minneapolis 5/												
1942	.61	.59	.65	.59	.59	.70	.75	.79	.83	.81	.87	.94	.73
1943	1.01	.95	1.01	1.09	1.11	1.20	1.27	1.22	1.24	1.27	1.19	1.12	1.08
1944	1.13	1.12	1.03	1.15	1.13	1.14	1.23	1.23	1.27	1.34	1.39	1.55	1.22
1945	1.53	1.44	1.51	1.64	1.84	1.75	1.98	2.13	2.36	2.70	2.84	---	1.72
1946	2.09	1.95	2.24	2.39	2.68	2.79	2.86	3.11	2.54	3.11	3.19	3.03	2.55
1947	2.54	2.47	2.82	2.85	2.82	2.77	2.76	2.41	2.56	2.53	2.41	2.25	2.65
1948	1.78	1.60	1.50	1.64	1.73	1.68	1.63	1.36	1.35	1.36	1.36	1.35	2.57
1949	1.45	1.38	1.43	1.46	1.42	1.46	1.43	1.34	1.39	1.39	1.44	1.42	1.41
1950	1.48	1.38	1.39	1.37	1.46	1.63	1.76						

1/ U. S. monthly prices are the result of weighting monthly State prices by production. U. S. marketing-year prices are the result of (1) weighting State monthly prices by monthly sales to obtain State marketing-year averages, and (2) weighting the State marketing-year averages by total sales for each State. Prices include an allowance for unredeemed loans at average loan rates.

2/ Preliminary.

3/ Computation of parity prices: Average price in base period (August 1909 to July 1914=72 cents per bushel) X monthly index of prices paid by farmers, interest, and taxes, as revised January and October 1950 for the period 1926 through 1949.

4/ Transitional parity for 1950, 95 percent of parity price computed on the formula in use through December 1949.

5/ Monthly average of daily prices weighted by carlot sales. Compiled from the Minneapolis Daily Market Record.

Table 13.- Rice (in terms of milled): Production and imports in principal importing countries, specified periods

Continent and country	Production 1/			Imports 2/		
	Average 1935-39	1949	1950	Average 1936-40	1948	1949
	1,000 tons	1,000 tons	1,000 tons	1,000 tons	1,000 tons	1,000 tons
North America						
Canada	0	0	0	25	20	25
Cuba	14	44	44	222	259	299
Estimated total	---	---	---	345	329	373
South America						
Estimated total	---	---	---	103	36	27
Asia						
Ceylon	205	218	256	610	458	445
China	38,630	34,335	38,500	435	425	3/450
India	26,160	26,507	4/	1,863	980	860
Japan	9,378	9,743	8,995	2,061	62	5/150
Malaya	427	498	455	873	509	567
Indonesia	10,250	10,000	2/	250	202	271
Philippines	1,652	1,999	2,055	65	132	160
Estimated total	11,980	107,930	110,000	6,996	3,526	6/
Europe						
United Kingdom	0	0	0	156	47	59
Germany	0	0	0	242	31	52
France	7/	16	22	620	38	47
Belgium	0	0	0	70	11	30
Estimated total	---	---	---	1,632	182	297

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1/ Year beginning August 1. Crops harvested in Northern Hemisphere countries during the latter part of the year, together with those harvested in Asia principally from November to May, are combined with crops harvest d in Southern Hemisphere countries during the first part of the following year.

2/ Calendar years.

3/ Estimated.

4/ Unavailable.

5/ Imports into Japan during 1949 were not permitted by I.E.F.C. Imports in 1950, however, are estimated at 660,000 tons.

6/ Not greatly different from imports of 1948.

7/ Less than 500,000 tons.

Table 14.- Rice (in terms of milled): Production and exports in principal exporting countries, specified periods 1/

Continent and country	Production 2/			Exports 3/	
	Average 1935-39	1949	1950	Average 1936-40	1950
	1,000 tons	1,000 tons	1,000 tons	1,000 tons	1,000 tons
Western Hemisphere					
North America					
United States	729	1,304	1,195	107	540
Mexico	59	132	163	9	45
Others	123	257	263	---	15
Estimated total	911	1,693	1,621	116	600
South America					
Brazil	971	2,015	4/	42	5/70
British Guiana	52	72	4/	17	25
Ecuador	50	121	4/	13	55
Others	228	435	4/	8	20
Estimated total	1,301	2,643	2,415	80	170
Estimated total W. Hemis.	2,212	4,336	4,036	196	770
Eastern Hemisphere					
Asia					
Indo-China	5,039	4,253	3,896	1,610	90
Thailand	3,356	4,148	4,165	1,460	1,450
Burma	5,489	3,145	3,150	3,268	1,300
Korea	3,083	6/2,293	4/	1,061	6/100
Taiwan	1,350	1,295	1,400	709	250
Others	93,663	92,796	97,389	32	10
Estimated total	111,980	107,930	110,000	8,140	3,200
Europe					
Italy	550	484	538	168	200
Others	228	328	368	2	10
Estimated total	778	812	904	170	210
Africa					
Egypt	524	901	910	132	330
Others	1,219	1,947	1,938	24	10
Estimated total	1,743	2,848	2,848	156	340
Estimated world total	117,240	116,700	119,000	8,700	4,550

1/ For countries of Asia and Africa, rough rice is converted to terms of milled at 70 percent, for other countries at 65 percent. 2/ See table , footnote 1. 3/ Calendar years. 4/ Unavailable. 5/ The exportable surplus from the 1949-50 crop is estimated at 150,000 tons, of which one-half was exported in 1950. 6/ South Korea only.

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Table 15. - Wheat: Estimated stocks by classes, July 1, 1946-50 1/

Class	1946	1947	1948	1949	1950
	Mil. bu.	Mil. bu.	Mil. bu.	Mil. bu.	Mil. bu.
Hard red winter	37	28	110	168	249
Soft red winter	11	8	16	18	31
Hard red spring	39	31	48	79	91
Durum	5	9	10	18	20
White	8	8	12	25	32
Total	100	84	196	308	423

1/ 1941-45 shown in The Wheat Situation, issue of January-February 1950, page 20.

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